

CEDO Business Assistance

Program Guidelines



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CEDO Business Assistance Program Guidelines

The purpose of our Financial Assistance Program is to provide incentive for new business start-up, and to support the expansion of existing businesses where community benefits are demonstrated through employment and / or business creation.

What is available?

1. **Business Loans and Forgivable Loans:**

The WDC can provide financial assistance of up to \$5,000.00 per applicant. Only once per band member are eligible for forgivable loans, which is based on 50% of financial request, the balance will be a loan. In order for 50% of the loan to become non-repayable, the business must still be in existence after three years and the loan payments must be current and the goals and objectives of the business have been met, i.e. Number of employees, etc...

2. **Summer Student Loans:**

Students over the age of eighteen are eligible for business financial assistance; the maximum amount is \$2,500.00. Students are eligible for half forgivable and half loan. This assistance will not affect their future eligibility requirements as per CEDO guidelines for one forgivable loan per band member. Payment of loan will be negotiated; however, when possible the loan should be paid by the end of the summer.

3. **General Information:**

- All applications must be submitted on forms provided by the WDC. All documentation shall become the funding proposal.
- WDC will not support projects when the supply and demand curve indicators show diminishing overall profitability and significant adverse effects on existing community businesses.
- Businesses should comply with all employment standards and regulations (i.e., Work Place Safety, Revenue Canada, etc.).
- Special emergency requests will be considered. The WDC reserves the right to request justification of the request, with the support of a complete business plan.

Eligibility

1. Must be Wikwemikong Band members (WDC Board members and WDC staff are ineligible for funding).
2. Must be business-minded, and demonstrate commitment and management capability to ensure the market / financial viability and the success of the proposed project.
3. Must provide minimum cash investment of 5% of the total project cost. This personal contribution demonstrates the applicant's commitment to their project.
4. Must not have an outstanding loan or account with WDC or other WUIR programs. Must not have filed bankruptcy in the last seven years. Clients may have an option to refinance a WDC loan, however all accounts must be current.
5. Must have a Wiikwemkoong Unceded Territory Business Permit or an Ontario Business Permit. Business outside of Ontario will not be supported.
6. All forest-harvesting businesses and forestry-related businesses must provide a letter of support from the Wikwemikong Forestry, Fish and Wildlife program, and follow the guidelines put in place by the Forestry, Fish and Wildlife program (i.e. Timber permits, timber dues, etc.)

7. The purchase of brush saws, vehicles and operating loans, i.e. mileage, paying off other debt or for cash flow purposes are ineligible costs and will not be financially supported.

The Application Process

1. Obtain three (3) quotes for any and all equipment or inventory that you need to start your business. Provide these quotations to the General Manager of the WDC. Any used equipment must be in good operating condition. If possible, provide an inspection certificate stating that the equipment is in good condition.
2. Complete the WDCs Application for Business Assistance form.
3. You must provide a proper business plan (including market analysis, manageability, cash flow statements, and forecasts). If you would like a business plan template, ask for one at the WDC. For micro businesses (less than \$1,000.00), a cash flow statement will suffice.
4. The location of the proposed business must be verified from lands office to demonstrate clear title to land or lease is in place.
5. For expansions or operating loans, past financial statements will be required.

Environmental Concerns (if applicable)

Projects affecting the environment are required to consult with Health and Welfare Canada and any other applicable environmental agencies. An environmental impact study must be conducted if required.

Upon Approval:

1. A loan agreement will be drawn up before loan proceeds are allocated. This agreement must be signed by the client in addition to a signing authority of WDC. The terms of the loan, repayment, and possible equipment liens will be agreed upon.
2. Loans are repayable at the 5% and interest is compounded annually.
3. All CEDO business assistance will be issued directly to the supplier.
4. For audit purposes the total business financing package must be document with receipts or proof of purchases.
5. After-care may be provided if requested by the client. Some examples of available after-care include start-up bookkeeping, marketing information, the Self Employment Assistance (SEA) Program.

Appeal Process:

1. Client is requested to attend and present their appeal at a WDC Board Meeting. The employee who processed the application must also be in attendance.
2. WDC Board is to meet in camera about all appeal matters.
3. WDC Board's decision is final.
4. If appeal is denied by WDC Board the file is closed and the applicant is provided with information on other funding programs that maybe available to them.
5. If appeal is approved, then the applicant will complete the application process.

Sample Business Plan Format

1. EXECUTIVE SUMMARY
2. ORGANIZATION & MANAGEMENT
3. OPERATIONS STRATEGY
 1. Location
4. HUMAN RESOURCES
 1. Labour Requirements
 2. Training Requirements
5. MARKET ANALYSIS & MARKETING PLAN
 1. Market Size & Growth
 2. Product Line
 3. Competition
 4. Competitive Advantages
 5. Market Share
 6. Pricing Strategy
 7. Promotion Strategy
 8. Buying or Leasing Equipment
 9. Draft Conceptual Drawings and Building requirements
6. FINANCIAL PLAN
 1. Capital and Infrastructure Requirements
 2. Financing Sources and Joint Venture Investment Opportunities
 3. Pro-forma monthly cash flow statement for year one of operation
 4. Pro-forma income statements for the first three years of operation
 5. Pro-forma balance sheets for the first three years of operation
7. REGULATORY CONSIDERATIONS
 1. Local regulations
 2. Provincial Regulation
 3. Federal Regulation (if applicable)
8. IMPLEMENTATION PLAN FOR RECOMMENDATIONS & TIME FRAMES
 1. Immediate Action
 2. Short Term Action
 3. Long Term Action
6. OTHER AS DETERMINED NECESSARY